

MITIWEEKLY



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MITI in the News

Trade Performance for the Period of January- March 2016 and the Month of March 2016

Malaysia's trade surplus registered a double digit growth of 12.2% to reach a value of RM23.94 billion during the first quarter (Q1) of 2016. Total trade were valued at RM346.38 billion compared with RM345.15 billion recorded during the same period of last year.

Exports rebounded to RM185.16 billion, an increase of 1% as compared to a decline of 2.5% recorded in Q1 2015. Growth in exports was recorded to major markets namely, ASEAN, the United States of America (USA), the European Union (EU) and Turkey. Imports were sustained at RM161.22 billion compared with RM161.91 billion recorded in January to March 2015. For the month of March 2016, trade surplus surged by 52.2% to RM11.19 billion from RM7.35 billion in February 2016, making it the 221st consecutive month of trade surplus since November 1997. On a year-on-year basis, trade surplus rose 43.1%. Exports increased marginally to RM66.59 billion from RM66.47 billion recorded in March 2015. Imports decreased by 5.5% to RM55.39 billion, with total trade of RM121.98 billion recorded, a decline of 2.5%. On a month-on-month basis, exports, imports and total trade registered a double digit growth of 17.4%, 12.2% and 15%, respectively.





Overall, exports both of manufactured and agricultural goods increased during Q1 2016. Exports of mining goods, however, declined. Exports of manufactured goods during the first quarter grew by 6.4% or RM9.18 billion to RM151.93 billion, accounting for 82.1% of Malaysia's exports. The higher export was driven mainly by increased exports of manufactures of metal, electrical and electronic (E&E) products, machinery, equipment and parts as well as optical and scientific equipment. Exports of agricultural goods in Q1 2016 expanded by 6.5% to RM15.27 billion, attributed mainly to higher exports of palm oil, which amounted to RM8.57 billion, an increase of 6.6% or RM532.9 million, contributed mainly by higher export volume. Exports of mining goods decreased by 32.5% to RM16.88 billion with lower exports of liquefied natural gas (LNG) and crude petroleum. Lower exports of LNG was caused by the contraction in the Average Unit Value (AUV) and volume, while crude petroleum due to lower AUV.

Major exports in the first quarter of 2016 were:

- E&E products valued at RM66.54 billion which constituted 35.9% of total exports, increased by 3.6% from the corresponding period of 2015;
- Chemicals and chemical products (RM13.72 billion), 7.4% of total exports, increased by 6.2%;
- Petroleum products (RM11.11 billion), 6% of total exports, a decrease of 12.2%;
- Palm oil and palm based agriculture products (RM9.98 billion), 5.4% of total exports, an increase of 7.8%; and

Machinery, equipment and parts (RM9.85 billion), 5.3% of total exports, an increase of 23%.

In March 2016, exports of manufactured goods increased by 4.6% to RM55.1 billion contributed mainly by higher exports of manufactures of metal especially nickel, machinery, equipment and parts, optical and scientific equipment, processed food, textiles, apparels and footwear, chemicals and chemical products as well as E&E products. Exports of agricultural goods recorded a value of RM5.49 billion, an increase of 6%. Exports of mining goods amounted to RM5.64 billion, a decrease of 32.1%.

During the period of January-March 2016, trade with ASEAN increased by 2.6% to RM94.87 billion from the same period in 2015, accounting for 27.4% of Malaysia's total trade. Exports grew by 6.5% to RM53.65 billion, supported by higher exports of manufactured goods especially E&E products, manufactures of metal, machinery, equipments and parts as well as chemicals and chemical products. These products altogether amounted to RM28.86 billion or 53.7% share of Malaysia's exports to ASEAN. Imports however, contracted by 2.1% to RM41.22 billion.

Exports to Singapore increased by RM695.5 million to RM26.27 billion due mainly to higher exports of E&E products. Exports to Thailand grew by RM644.8 million, supported by higher exports of E&E products as well as petroleum products. Exports to Viet Nam increased by RM890.8 million, contributed mainly by higher exports of petroleum products, manufactures of metal as well as machinery, equipment and parts. Exports to Indonesia expanded by RM106.8 million with higher exports of chemicals and chemical products, E&E products as well as manufactures of metal.

In March 2016, exports to ASEAN grew by 5.6% to reach a value of RM19.19 billion, contributing 28.8% to Malaysia's total exports. The increase was due to higher exports of E&E products (electronic integrated circuits), manufactures of metal (aluminium alloys), processed food, machinery, equipment and parts (air conditioner) as well as chemicals and chemical products (alcohols, phenols and their derivatives). Growth in exports was registered to all ASEAN markets except for Indonesia and Brunei. Imports from ASEAN were down 13.1% to RM14.15 billion while trade with ASEAN declined by 3.2% to RM33.33 billion.

During the Q1 of 2016, trade with the USA increased by 11.1% to RM33.09 billion. Exports recorded a double digit growth of 13.1% to RM19.07 billion while imports expanded by 8.4% to RM14.02 billion. The robust export performance to the USA was contributed mainly by E&E products. Other products that contributed to the increase in exports to the USA were transport equipment, wood products, manufactures of metal, as well as optical and scientific equipment. In March 2016, trade with the USA expanded by 3.2% to RM11.63 billion. Exports grew by 11.8% to RM6.8 billion while imports totalled RM4.83 billion, decreased by 6.9%. Products which contributed to the increase in exports were E&E products, machinery, equipment and parts, transport equipment (parts for aircraft) as well as chemicals and chemical products (alcohols, phenols and their derivatives).

In the first three months of 2016, trade with China registered a growth of 4.6% to RM51.32 billion. Exports increased by 1.3% to RM20.81 billion and imports expanded by 7% to RM30.51 billion. The increase in exports to China was attributed mainly to manufactures of metal, metalliferous ores, chemicals and chemical products as well as optical and scientific equipment. In March 2016, trade with China increased by 3.5% to RM17.76 billion. Exports to China valued at RM7.81 billion, decreased by 5.9% due to lower exports of E&E products (electronic integrated circuits), petroleum products, metalliferous ores as well as LNG. However, higher exports were registered for manufactures of metal, optical and scientific equipment as well as palm oil and palm based agriculture products. On a month-on-month basis, exports to China surged by 20.4%, due mainly to higher exports of E&E products. Imports from China were valued at RM9.95 billion, an increase of 12.3% from March 2015.

Exports to the EU continued to expand in Q1 of 2016, achieving a growth of 7.9% to RM19.33 billion. Machinery, equipment and parts, palm oil and palm based agriculture products, optical and scientific equipment, rubber products, textiles and apparels as well as chemicals and chemical products were the main contributors to the increase in exports. Among the top 10 EU markets, 7 markets registered growth in exports. Markets which recorded double digit growth were Germany (†24.7%), France (†17%), Italy (†30.4%), Belgium (†19.4%), Spain (†44%) and Sweden (†12.8%). Imports declined by 8.1% to RM15.99 billion while trade amounted to RM35.32 billion, the same level as that in the preceding year at RM35.31 billion. Exports to the EU in March 2016 grew by

6.5% to RM6.72 billion. In terms of products, higher exports to the EU were registered for machinery, equipment and parts (parts for civil engineering and contractor's plant), palm oil and palm based agriculture products, optical and scientific equipment (instruments and appliances used in medical, surgical, dental or veterinar), apparels, rubber products as well as transport equipment (parts for aircraft). Imports from the EU were lower by 11.4% to RM5.44 billion. Trade with the EU contracted by 2.3% to RM12.16 billion.

During the first three months of 2016, trade with Japan amounted to RM31 billion with exports and imports value of RM17.29 billion and RM13.71 billion, respectively. The decline in exports to Japan by 20.6% in Q1 2016 was due mainly to lower exports of LNG. However, higher exports to Japan were registered for manufactured goods, namely, textiles, non-metallic mineral products, manufactures of metal as well as processed food. Trade with Japan in March 2016 was valued at RM11.24 billion, a decline of 7.5%. Exports totalled RM6.17 billion while imports increased by 3.9% to RM5.06 billion. Exports to Japan declined by 15.1% due to lower exports of LNG and E&E products. On a month-on-month basis, exports to Japan registered a double digit growth of 10.2% contributed by higher exports of LNG, manufactures of metal and crude petroleum.

During first quarter 2016, trade with FTA partners amounted to RM216.98 billion, accounting for 62.6% of Malaysia's trade. Exports to FTA partners recorded a value of RM115.5 billion while imports, RM101.48 billion. Higher exports were recorded to Viet Nam, Turkey, Singapore, Thailand, Philippines and Myanmar during the period of January to March 2016. Exports to Turkey surged by 123.1% to RM1.55 billion due to increase in exports of palm oil and palm based agriculture products, chemicals and chemical products as well as manufactures of metal. In March 2016, total trade with Free Trade Agreement (FTA) partners was valued at RM76.08 billion with exports valued at RM41.63 billion and imports totalled RM34.45 billion.

Total imports in January-March 2016 declined by 0.4% to RM161.22 billion.

The three main categories of imports by end use were:

- Intermediate goods, valued at RM93.85 billion or 58.2% share of total imports, decreased by 3.1%, due mainly to lower imports of petroleum products;
- Capital goods (RM21.43 billion, 13.3% share, down 12.9%), due mainly to lower imports of aircraft; and
- Consumption goods (RM15.78 billion, 9.8% share, up 24.6%), with higher imports of food products.

In March 2016, imports decreased by 5.5% to RM55.39 billion. The three main categories by end use were intermediate goods which valued at RM31.6 billion, capital goods (RM7.42 billion) and consumption goods (RM5.34 billion).

Ministry of International Trade and Industry, 5 May 2016

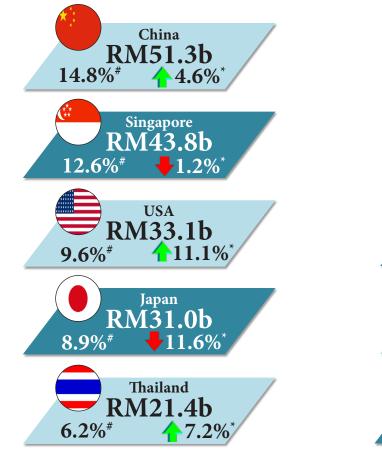


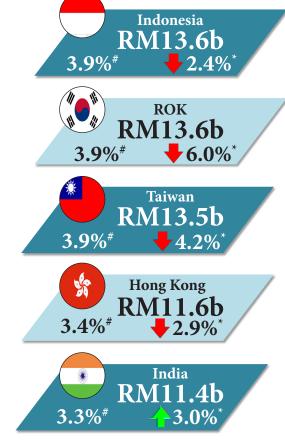
Malaysia

Trade Performance January - March 2016 RM185.2b RM346.4b O.4%* RM161.2b Imports O.4%*

Note: * Y-o-Y growth

Major Trading Partners January - March 2016





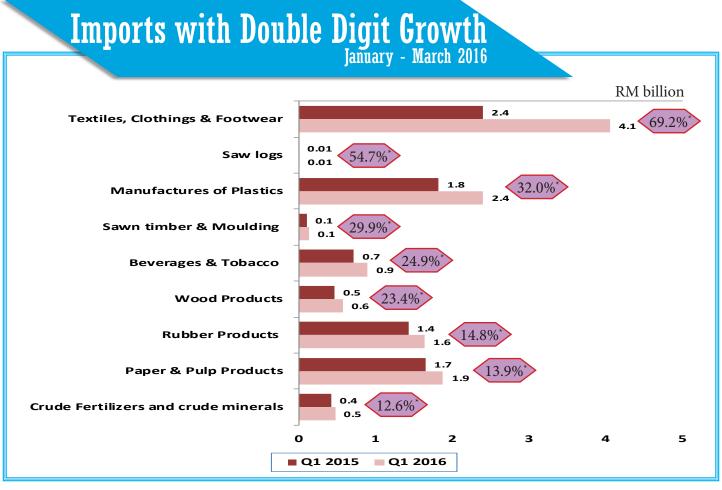


Note: # Share to Malaysia's total trade

* Y-o-Y growth

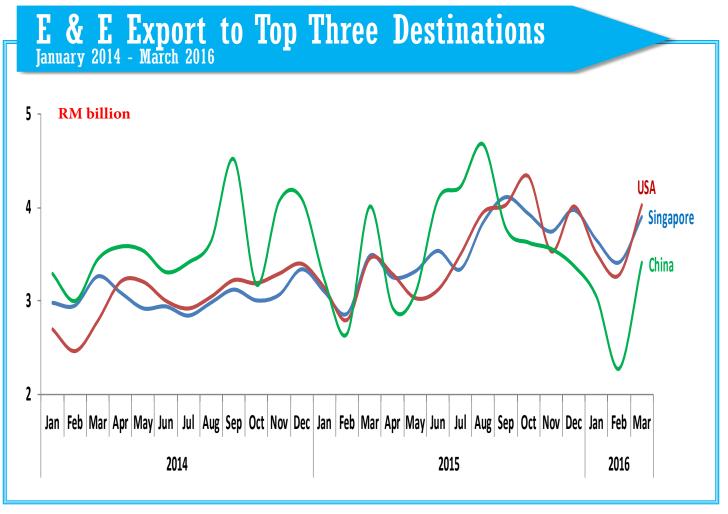
Source : Department of Statistics, Malaysia

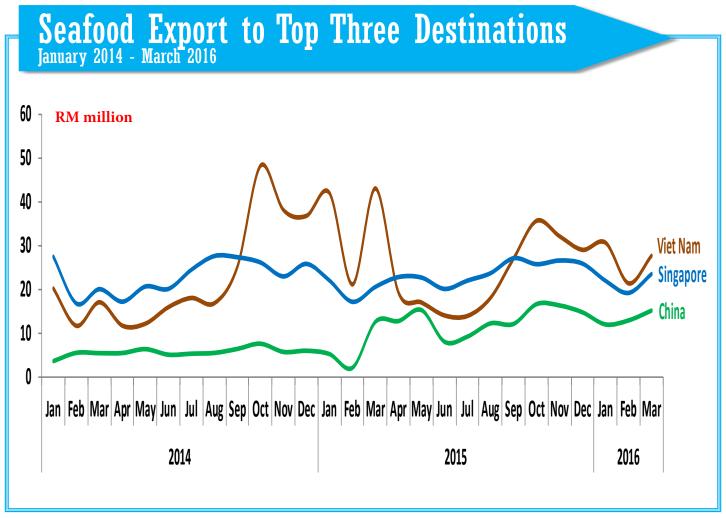
Exports with Double Digit Growth January - March 2016 RM billion 0.2 50.6% Crude Fertilizers and crude minerals <50.3%^{*} Metalliferous ores and metal scrap 42.8% Manufactures of Metal 23.0% Machinery, equipments & parts **Transport Equipment** (18.8%* Textiles, apparels & Footwear 3.6 18.5% 4.7 15.9% **Processed Food** 15.7% **Optical & Scientific Equipment** $12.5\%^*$ Sawn timber & Moulding Jewellery **Beverages & Tobacco** 10 12 Q1 2015 Q1 2016



Note: * Y-o-Y growth

Source: Department of Statistics, Malaysia











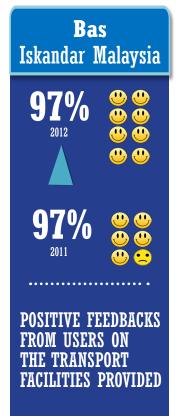
Environment

Improve Connectivity & Enhanced Quality of Living











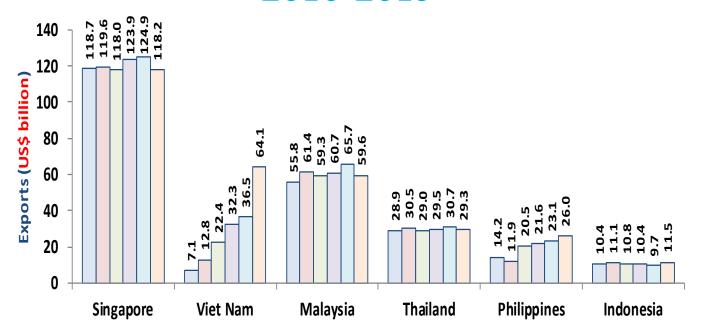
Source: Iskandar Malaysia Report Card 2006 - 2015

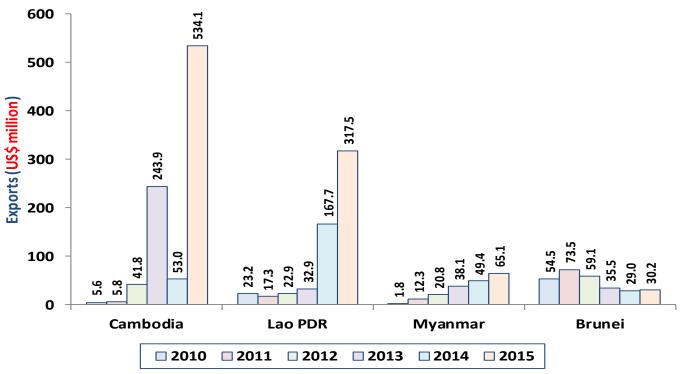






Exports of Electrical and Electronic Equipment 2010-2015





Notes: 1. HS Code 85

2. Viet Nam, Indonesia and Cambodia data for 2015 was based on the partner reported data (mirror data)

3. Lao PDR and Myanmar data was based on the partner reported data (mirror data)



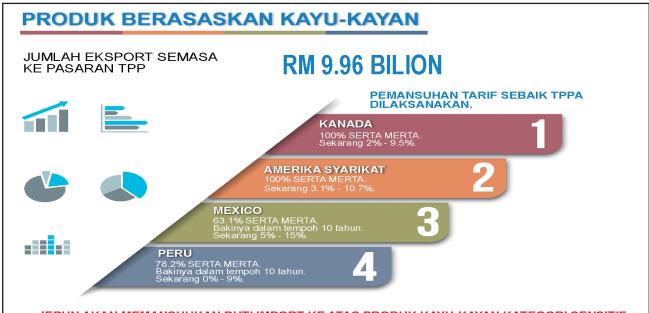
Source : Trade Map





NEGARA-NEGARA AHLI TPPA





JEPUN AKAN MEMANSUHKAN DUTI IMPORT KE ATAS PRODUK KAYU-KAYAN KATEGORI SENSITIF SEPERTI PAPAN LAPIS DALAM TEMPOH 15 TAHUN. Industri produk berasaskan kayun-kayan akan berpeluang menjana pendapatan yang lebih tinggi, membuka lebih peluang pekerjaan dan meningkatkan penglibatan Malaysia dalam rantaian bekalan produk.



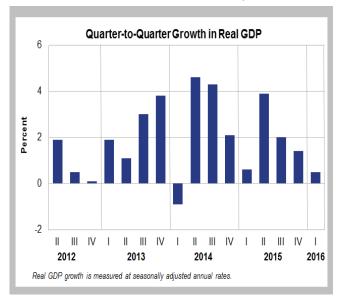




International Report

US Economic Indicators January - March 2016





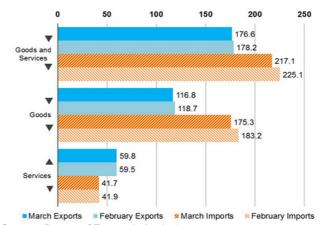
	2016				
	Jan	Feb	Mar		
Inflation Rate (%)	1.37	1.02	0.85		
Unemployment Rate (%)	4.9	4.9	5.0		
Consumer Price Index	236.9	237.1	238.1		
GDP (%)	1.0 Q1 2016, Advanced Estimate	1.4 Q4 2015, Third Estimate	0.5 Q4 2015, Second Estimate		

Trade in Goods and Services

Total Trade ↓ 4.9% US\$1,195.4 billion

Exports \$\ \bullet 5.4\%* US\$531.1 billion

Trade in Goods and Services (Billions of Dollars)

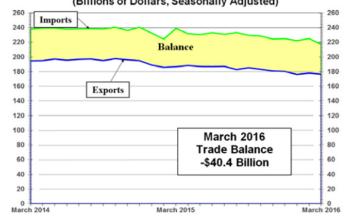


Source: Bureau of Economic Analysis

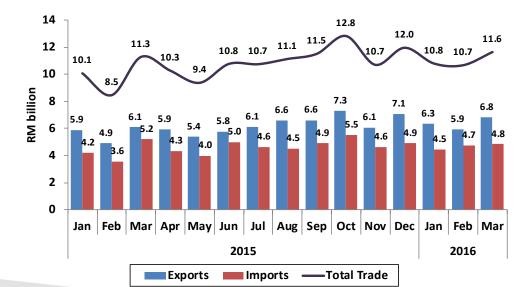
Imports \$\ 4.5\%* US\$664.4 billion

Trade Deficit US\$133.3 billion

U.S. International Trade in Goods and Services (Billions of Dollars, Seasonally Adjusted)



Malaysia's Trade with US, January 2015 -March 2016





Source : Department of Statistics, Malaysia

Ministry of International Trade and Industry

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The Big Spenders Index 2015

Top 10 highest-scoring countries according to the Big Spenders Index, based on scores in the following categories



Luxury store footprint



Premium travel and spending



Big-ticket luxury goods spending



Wealth growth



Spending on luxury imported items



UHNWI population

RANK	COUNTRY		珂				
0	X C	9	5	8	7	5	5
2	China : *	10	7/10	2/10	6	7/10	7/10
3	Qatar	7_10	10	9/10	10	2/10	2/10
4	Canada	9	8	5	10	3	4/10
6	India	8	10	10	5	1	4/10
6	Saudi Arabia	8	5	9	10	4	3
7	Switzerland	10	8/10	6	6	3/10	4/10
8	Mexico	9	8/10	6/10	9/10	1/10	4/10
9	Hong Kong	9	9	9	2/10	2/10	3
•	Kuwait	6	7/10	8/10	10	2/10	2/10

The general outlook for luxury spending continues to be positive. Almost a third of respondents to The Wealth Report's Attitudes Survey expect their wealthy clients to spend more on luxury goods in 2015, compared with just 8% who expect it to decline.

But how does the short-to-mediumterm outlook compare for individual countries, and where in the world might luxury brands look to expand? The new Big Spenders Index, compiled exclusively for The Wealth Report, provides some of the answers by identifying the locations likely to see strong growth in big-ticket spending by their own ultra-wealthy populations and visiting Ultra High Net Worth Individual (UHNWIs).



Source: http://www.knightfrank.com/resources/wealthreport2015/wealthpdf/07-wealth-report-luxury-spending-chapter.pdf

Number and Value of Preferential Certificates of Origin (PCOs) umber of Certificates (Provisional data)

	13 Mar 2016	20 Mar 2016	27 Mar 2016	3 Apr 2016	10 Apr 2016	17 Apr 2016	24 Apr 2016	1 May 2016
AANZFTA	755	899	985	725	816	827	824	902
AIFTA	673	566	641	592	684	680	745	603
AJCEP	201	150	241	189	160	139	200	219
ATIGA	4,551	4,586	4,674	4,510	4,262	4,068	4,536	4,529
ACFTA	1,598	1,354	1,425	1,889	1,530	1,483	1,631	1,644
AKFTA	838	827	890	954	753	853	820	860
MICECA	384	350	320	300	327	332	316	344
MNZFTA	0	5	9	8	6	10	5	13
MCFTA	33	57	65	64	52	67	43	32
MAFTA	461	349	447	430	400	364	361	287
MJEPA	766	708	926	797	823	711	729	863
MPCEPA	156	173	159	176	167	178	148	149
GSP	129	139	89	156	117	119	136	144
MTFTA	196	162	252	181	269	137	196	237

Notes: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

ASEAN - AUSTRALIA - NEW ZEALAND
FYCE TYGGE AYEA

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FYCE TYGGE AYEA

ASEAN - AUSTRALIA - NEW ZEALAND

AANZFTA: ASEAN-Australia-New Zealand Free Trade Agreement (Implemented since 1 January 2010)

ATIGA: ASEAN Trade in Goods Agreement (Implemented since 1 May 2010)

AJCEP: ASEAN-Japan Comprehensive Economic Partnership

(Implemented since 1 February 2009)

*;

ACFTA: ASEAN-China Free Trade Agreement

(Implemented since 1 July 2003)

AKFTA: ASEAN-Korea Free Trade Agreement (Implemented since 1 July 2006)

AIFTA: ASEAN-India Free Trade Agreement

(Implemented since 1 January 2010)

MPCEPA: Malaysia-Pakistan Closer Economic Partnership Agreement (Implemented since 1 January 2008)

MJEPA: Malaysia-Japan Economic Partnership Agreement (Implemented since 13 July 2006)

MICECA: Malaysia-India Comprehensive Economic Cooperation Agreement (Implemented since 1 July 2011)

MNZFTA: Malaysia-New Zealand Free Trade Agreement (Implemented since 1 August 2010)

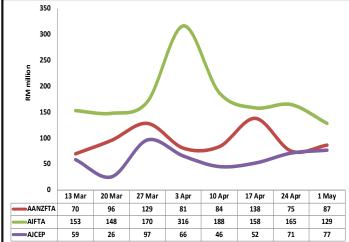
MCFTA: Malaysia-Chile Free Trade Agreement (Implemented since 25 February 2012)

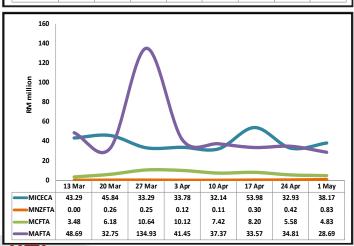
MAFTA: Malaysia-Australia Free Trade Agreement

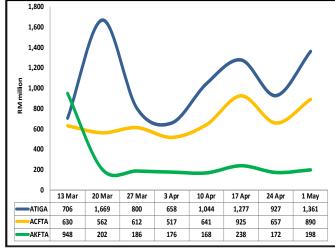
(Implemented since 1 January 2013)

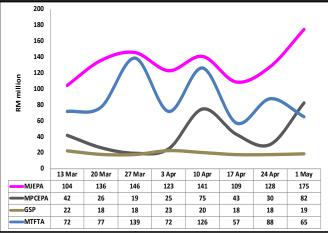
MTFTA: Malaysia-Turkey Free Trade Agreement (Implemented since 1 August 2015)

Value of Preferential Certificates of Origin





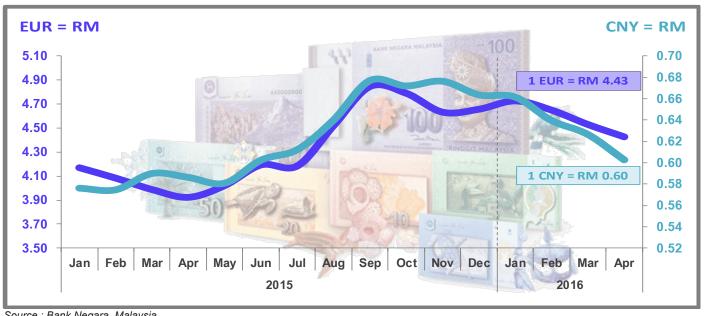




Source: Ministry of International Trade and Industry, Malaysia

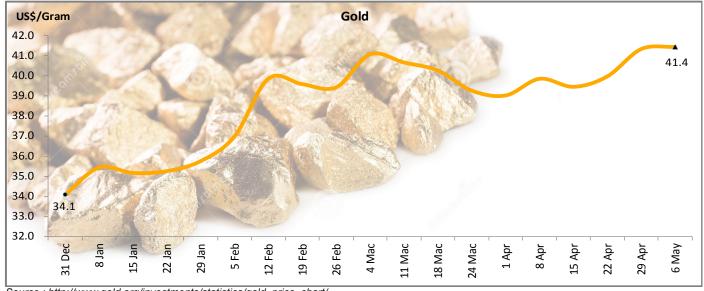


Malaysian Ringgit Exchange Rate with Euro and Chinese Yuan



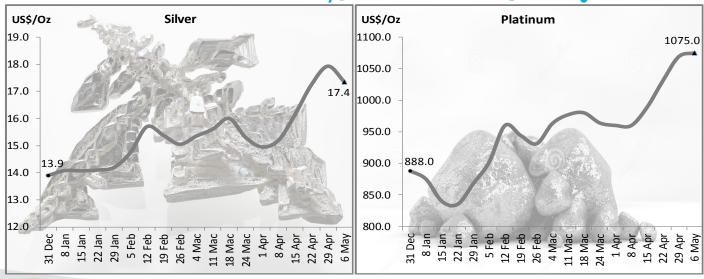
Source: Bank Negara, Malaysia

Gold Prices, 31 December 2015 - 6 May 2016



Source: http://www.gold.org/investments/statistics/gold_price_chart/

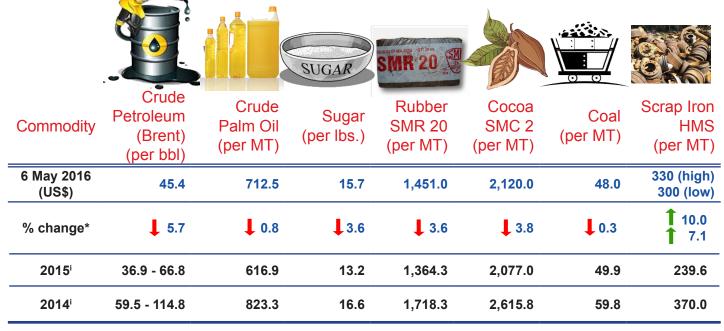
Silver and Platinum Prices, 31 December 2015 - 6 May 2016





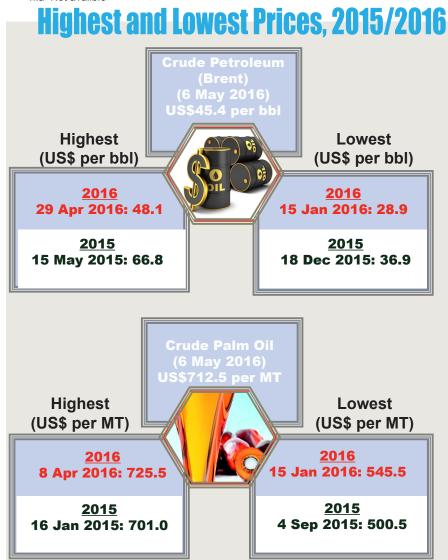
http://online.wsj.com/mdc/public/page/2_3023-cashprices.html?mod=topnav_2_3023

Commodity Prices



Notes: All figures have been rounded to the nearest decimal point

- * Refer to % change from the previous week's price
- i Average price in the year except otherwise indicated
- n.a Not availble

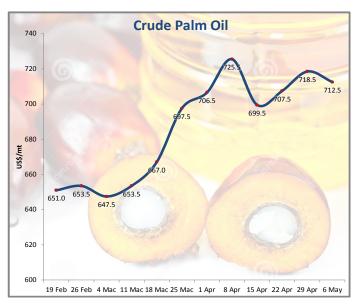


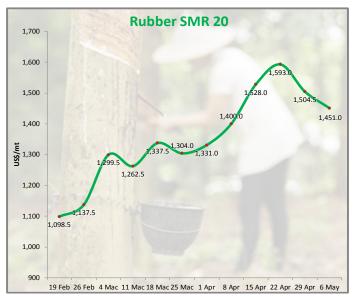


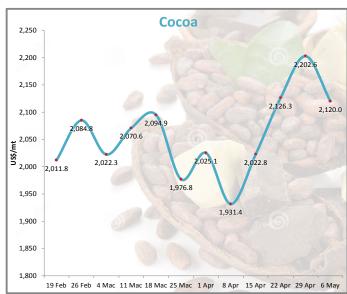
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group.

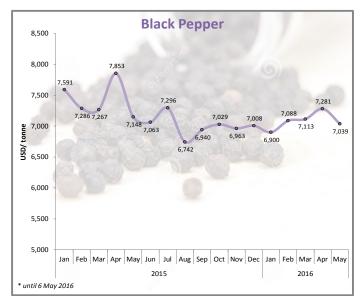


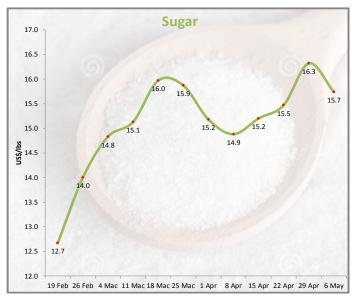
Commodity Price Trends

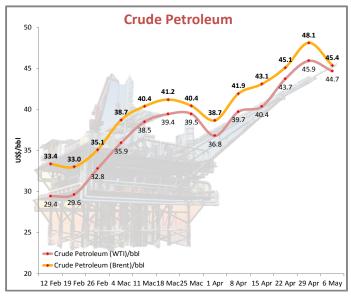








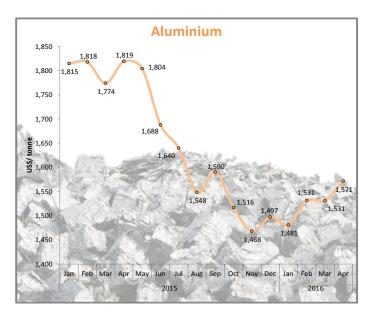


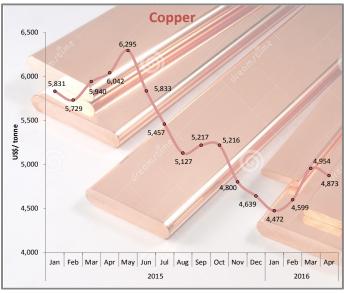


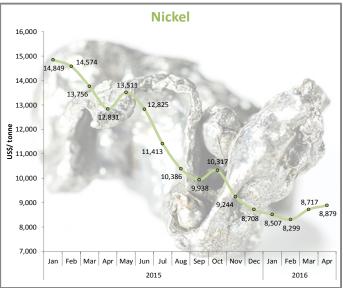
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank.

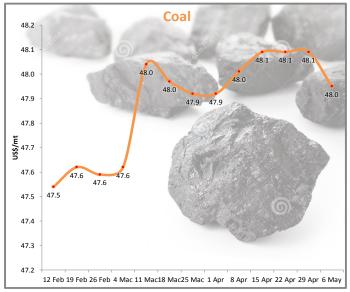


Commodity Price Trends

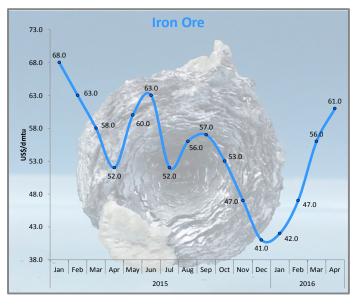












Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank.





MULTI-B SDN BHD

Multi-B Sdn Bhd design and manufactures a high technology MF (Maintenance Free) bus duct with the brand name of Translite MF Bus Duct. The bus duct utilises Japanese technology and is produced by Multi-B through technical collaboration with Hitachi Cable Ltd. Japan. Multi-B claims that its low voltage power distribution system is best suited

for airports, factories, hotels, hospitals, institutions, prisons, stadiums, high rise commercial and residential buildings and many more.

Established in 1989, the founder of the company started operation with merely RM300,000, in additional to the sum of RM70,000 which was used to purchase second hand machinery. The first two years was difficult for Multi-B. While financial support was already an issue, it also needed to compete with other brands in the limited market. However, they stayed true to its philosophy to excel in business. With hard work, perseverance and assistance from government agencies, Multi-B was successful in overcoming the challenges.

1998 was a good year for Multi-B. From a humble company with second hand machines, the company commenced operations in its brand new 2-acre factory-cum-office complex situated in Bukit Beruntung, Selangor. This factory which is fully equipped with the latest technology and computerisation, is capable of producing as much as 400 km of bus Dutch a year.

From then on, it has continued to expand and never looked back. From local markets, Multi-B ventured into international markets in 2003. Within seven years, it managed to market its products to 14 countries around the world, and has successfully completed numerous mega projects in Asia Pacific (including Australia and New Zealand), India, Bangladesh, Middle East and recently in South America. Overseas markets now contribute 90% of its annual sales revenue.







MITI Programme

Seminar on Business Opportunity in Malaysia, New Delhi, 2 May 2016













Visit to Tata Consultancy Services, Telangana India, 5 May 2016





Program Bijak Melabur Bersama MITI & Masa Untuk Eksport Telah Tiba, Kuantan, Pahang 3 Mei 2016















CENSUS 2016



Better Data for a Better Future

Objectives

Identify new sources of growth to the economy

Formulate national economy programme and policies

Asses the implementation of the national development policy such as the 11thMP, SME Master Plan and Services Sector Blueprint

New benchmark for economy statistics

Increase capacity of national statistics

Use

Constructing economic indicators

Government - monitoring national plans, SME development

Private, academic and researchers

Future economic surveys

Business planning and decisions

Benefit of Economic Census

Entrepreneurs, Companies & Business

- To identify new sources of growth to the economy;
- To formulate national economy programmes; and
- To assess the implementation of the national development policy such as The Economic Transformation Programme, Eleventh Malaysia Plan and Small and Medium Enterprise (SME) Masterplan 2012 -2020.

Industry Associations & Chamber of Commerce

- To understand more about industrial structure:
- To share information about the industry with their members;
- To assist business in marketing and investment planning.

Government

- To identify new sources of growth to the economy;
- To formulate national economy programmes; and
- To assess the implementation of the national development policy such as The Economic Transformation Programme, Eleventh Malaysia Plan and Small and Medium Enterprise (SME) Masterplan 2012 -2020.

To Update Economic **Indicators**

- Rebasing of indices i.e. Gross Domestic Product (GDP) and Index of Industrial;
- Compilation of Supply & Use Table (SUT), Input-Output Table (I-O), Tourism Satellite Account (TSA), Information & Communication Technology Satellite Account and System of Environmental - Economic Accounting (SEEA);
- Development of SME's profile.



Source: Department of Statistics, Malaysia



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"The MITI Weekly Bulletin Editorial Committee extends its heartfelt condolences to the families of those on board Eurocopter AS350 en route to Kuching from Betong, Sarawak on 5 May 2016."



And our deepest sympathy goes to

YBhg. Datin Talagavathi a/p Karapayah,

Director of Sectoral Policy,

Ministry of International Trade and Industry,

on the demise of her beloved husband, YBhg. Datuk Dr. Sundaran Annamalai.

Let us take a moment to keep them in our thoughts and prayers. May peace and comfort be with their loved ones during these trying times..

Comments & Suggestions

Dear Readers,

Kindly click the link below for any comments in this issue. MWB reserves the right to edit and republish letters as reprints.

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